



**News Announcement  
For immediate release**

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Grand Island, Nebraska – Equitable Financial Corp, parent company of Equitable Bank, reported third quarter profits of \$457,000, or \$0.14 per share. Year-to-date earnings for Equitable increased to \$1,336,000 an increase of 134% over the same prior year period. Earnings were driven by a combination of loan and deposit growth. Total assets were \$323.5 million as of March 31, 2019, an increase of \$40.0 million, or 14.1% from June 30, 2018. Loans increased \$20.6 million, or 7.8% to \$285.4 million as of March 31, 2019 from \$264.8 million as of June 30, 2018. During the same period deposits grew \$40.0 million, to \$277.0 million at March 31, 2019. Measures of asset quality remain healthy as levels of past dues and nonperforming loans continuing to remain low.

During the quarter we repurchased 42,991 shares of stock for a total of \$494,000. Average price per share was \$11.49.

“In the last quarter, our team has completed a core banking software conversion which we believe will enhance our customers’ experience and support operational efficiencies. The company converted our organizational structure from a Federal Thrift to a State Chartered/Fed Member Bank and added significant new loan and deposit relationships. As part of the additional loan growth, our provision expense was higher for the quarter. The agricultural markets continue to feel pressure due to low commodity prices and uncertainty of the trade agreements, which we monitor closely. Overall, we are pleased with our results and continued progress” said Tom Gdowski, President and CEO.

**About Equitable Financial Corp.**

Equitable Financial Corp. is the holding company for Equitable Bank, which is a Nebraska-based community bank headquartered in Grand Island. Equitable Bank has been in operation since 1882. A full-service bank with 4 branches in Grand Island, North Platte and Omaha, Equitable offers consumer, commercial and ag loans, home loans, checking and savings accounts, financial planning and retirement services.

**Forward-Looking Statements**

When used in this Press Release, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” or similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties including, but not limited to, changes in economic conditions in the Company’s market area, changes in policies by regulatory agencies, fluctuations in interest rates, demand for loans in the Bank’s market area, competition that could cause actual results to differ materially from historical earnings and those presently anticipated or projected, and other risks described in the Company’s filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance on any

such forward-looking statements, which speak only as of the date made. The Company advises readers that the factors listed above could affect the Company's financial performance and could cause the Company's actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revision which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

## Equitable Financial Corp.

### Selected Financial Data - Quarterly Trend

Unaudited

(Dollars in thousands, except per share amounts and percentages)

|  | Quarter Ended Fiscal Year June 30, |             |            |            |              |             |            |  |
|--|------------------------------------|-------------|------------|------------|--------------|-------------|------------|--|
|  | 2018                               |             |            |            | 2019         |             |            |  |
|  | September 30                       | December 31 | March 31   | June 30    | September 30 | December 31 | March 31   |  |
| <b>Selected Financial Data</b>                     |                                    |             |            |            |              |             |            |  |
| For the period:                                    |                                    |             |            |            |              |             |            |  |
| Interest income                                    | \$ 2,805                           | \$ 2,804    | \$ 2,913   | \$ 3,007   | \$ 3,164     | \$ 3,266    | \$ 3,872   |  |
| Interest expense                                   | \$ 388                             | \$ 426      | \$ 469     | \$ 549     | \$ 612       | \$ 673      | \$ 796     |  |
| Net interest income                                | \$ 2,417                           | \$ 2,378    | \$ 2,444   | \$ 2,458   | \$ 2,552     | \$ 2,593    | \$ 3,076   |  |
| Provision for loan losses                          | \$ 204                             | \$ 663      | \$ 135     | \$ (302)   | \$ 84        | \$ 110      | \$ 169     |  |
| Noninterest income                                 | \$ 541                             | \$ 709      | \$ 512     | \$ 729     | \$ 759       | \$ 842      | \$ 753     |  |
| Noninterest expense                                | \$ 2,238                           | \$ 2,115    | \$ 2,316   | \$ 2,267   | \$ 2,551     | \$ 2,806    | \$ 3,073   |  |
| Income tax expense                                 | \$ 188                             | \$ 416      | \$ 155     | \$ 384     | \$ 176       | \$ 140      | \$ 130     |  |
| Net income   | \$ 328                             | \$ (107)    | \$ 350     | \$ 838     | \$ 500       | \$ 379      | \$ 457     |  |
| Period-end:  |                                    |             |            |            |              |             |            |  |
| Loans (net of deferred origination costs and ALLL) | \$ 245,505                         | \$ 250,963  | \$ 255,947 | \$ 264,781 | \$ 268,424   | \$ 271,775  | \$ 285,376 |  |
| Assets   | \$ 262,801                         | \$ 270,277  | \$ 305,668 | \$ 283,619 | \$ 289,837   | \$ 292,341  | \$ 323,456 |  |
| Deposits   | \$ 215,158                         | \$ 226,200  | \$ 260,709 | \$ 236,988 | \$ 242,232   | \$ 255,304  | \$ 277,047 |  |
| Shareholders' equity                               | \$ 35,946                          | \$ 35,814   | \$ 35,659  | \$ 36,540  | \$ 36,958    | \$ 37,037   | \$ 37,115  |  |
| <b>Profitability Statistics</b>                    |                                    |             |            |            |              |             |            |  |
| Return on average assets                           | 0.54%                              | -0.16%      | 0.49%      | 1.14%      | 0.70%        | 0.52%       | 0.59%      |  |
| Return on average shareholders' equity             | 3.67%                              | -1.19%      | 3.92%      | 9.29%      | 5.44%        | 4.10%       | 4.93%      |  |
| Average shareholders' equity to average assets     | 13.92%                             | 13.44%      | 12.38%     | 12.40%     | 12.89%       | 12.72%      | 12.05%     |  |
| <b>Common Stock Statistics</b>                     |                                    |             |            |            |              |             |            |  |
| Common shares outstanding                          | 3,368,932                          | 3,361,845   | 3,317,670  | 3,315,470  | 3,300,978    | 3,265,546   | 3,222,555  |  |
| Book value per common share                        | \$ 10.67                           | \$ 10.65    | \$ 10.75   | \$ 11.02   | \$ 11.20     | \$ 11.34    | \$ 11.52   |  |
| Cash dividends declared per common share           | \$ -                               | \$ -        | \$ -       | \$ -       | \$ -         | \$ -        | \$ -       |  |
| Dividend payout ratio                              | 0.00%                              | 0.00%       | 0.00%      | 0.00%      | 0.00%        | 0.00%       | 0.00%      |  |
| <b>Regulatory Capital Ratios (bank)</b>            |                                    |             |            |            |              |             |            |  |
| Total Capital                                      | 13.0%                              | 12.2%       | 12.2%      | 12.1%      | 12.0%        | 12.1%       | 11.6%      |  |
| Common equity Tier 1 capital                       | 11.8%                              | 11.0%       | 10.9%      | 10.9%      | 10.8%        | 10.8%       | 10.3%      |  |
| Tier 1 capital (to risk-weighted assets)           | 11.8%                              | 11.0%       | 10.9%      | 10.9%      | 10.8%        | 10.8%       | 10.3%      |  |
| Tier 1 capital (to adjusted total assets)          | 11.0%                              | 10.3%       | 10.0%      | 9.9%       | 10.1%        | 10.1%       | 9.8%       |  |

# Equitable Financial Corp.

## Balance Sheet

### Unaudited

|  | March 31, 2019        | June 30, 2018         |
|--|-----------------------|-----------------------|
| <b>Assets</b>  |                       |                       |
| Cash and due from financial institutions   | \$ 7,640,516          | \$ 2,743,454          |
| Interest-earning deposits  | 12,856,000            | 2,010,889             |
|  | 20,496,516            | 4,754,343             |
| Securities available-for-sale  | 3,258,661             | 1,272,916             |
| Securities held-to-maturity  | 274,094               | 700,154               |
| Federal Home Loan Bank stock, at cost  | 323,000               | 283,600               |
| Loans, net of allowance for loan losses of \$4,294,000 and \$4,292,000, respectively   | 285,375,845           | 264,781,238           |
| Premises and equipment, net  | 6,647,774             | 6,042,544             |
| Foreclosed assets, net   | 223,200               | 227,700               |
| Accrued interest receivable  | 2,014,999             | 1,582,699             |
| Deferred taxes, net  | 388,477               | 400,396               |
| Customer list intangible   | 141,936               | 1,415,705             |
| Other assets   | 4,311,841             | 2,063,088             |
|  | <u>\$ 323,456,343</u> | <u>\$ 283,524,383</u> |
| <b>Liabilities and Stockholders' Equity</b>  |                       |                       |
| Liabilities:   |                       |                       |
| Noninterest-bearing deposits   | \$ 40,064,937         | \$ 34,310,163         |
| Interest-bearing deposits  | 236,981,644           | 202,677,976           |
|  | 277,046,581           | 236,988,139           |
| Lines of credit  | —                     | 1,543,000             |
| Federal Home Loan Bank Borrowings  | 5,000,000             | 5,000,000             |
| Advance payments from borrowers for taxes and insurance  | 587,999               | 468,989               |
| Accrued interest payable and other liabilities   | 2,694,050             | 1,971,388             |
| <b>Total liabilities</b>   | <u>285,328,630</u>    | <u>245,971,516</u>    |
| Common stock in ESOP subject to contingent repurchase obligation   | 1,012,570             | 1,012,570             |
| Stockholders' equity:  |                       |                       |
| Common stock, \$0.01 par value, 25,000,000 shares authorized 3,222,555 and 3,315,470 shares issued and outstanding at March 31, 2019 and June 30, 2018, respectively | 32,225                | 33,155                |
| Additional paid-in capital   | 24,171,583            | 25,191,460            |
| Retained earnings  | 15,220,779            | 13,883,937            |
| Unearned ESOP shares   | (865,568)             | (969,291)             |
| Shares reserved for stock compensation   | (419,504)             | (551,149)             |
| Accumulated other comprehensive loss, net of tax   | (11,802)              | (35,245)              |
| Reclassification of ESOP shares  | (1,012,570)           | (1,012,570)           |
| <b>Total stockholders' equity</b>  | <u>37,115,143</u>     | <u>36,540,297</u>     |
|  | <u>\$ 323,456,343</u> | <u>\$ 283,524,383</u> |
| <b>Total liabilities and stockholders' equity</b>  | <u>\$ 323,456,343</u> | <u>\$ 283,524,383</u> |

**Equitable Financial Corp.**  
**Income Statement**  
**Unaudited**

|  | <b>For the nine months ended</b> |                       |
|--|----------------------------------|-----------------------|
|  | <b>March 31, 2019</b>            | <b>March 31, 2018</b> |
| Interest income:   |                                  |                       |
| Loans  | \$ 10,193,155                    | \$ 8,436,343          |
| Securities   | 46,492                           | 47,940                |
| Other  | 62,602                           | 37,858                |
| <b>Total interest income</b>                               | <b>10,302,249</b>                | <b>8,522,141</b>      |
| Interest expense:  |                                  |                       |
| Deposits   | 1,985,668                        | 1,209,968             |
| Federal Home Loan Bank borrowings                          | 83,268                           | 69,060                |
| Other  | 11,598                           | 4,895                 |
| <b>Total interest expense</b>                              | <b>2,080,534</b>                 | <b>1,283,923</b>      |
| <b>Net interest income</b>                                 | <b>8,221,715</b>                 | <b>7,238,218</b>      |
| Provision for loan losses                                  | 362,618                          | 1,001,836             |
| <b>Net interest income after provision for loan losses</b> | <b>7,859,097</b>                 | <b>6,236,382</b>      |
| Noninterest income:  |                                  |                       |
| Service charges on deposit accounts                        | 584,515                          | 491,359               |
| Brokerage fee income                                       | 960,816                          | 453,602               |
| Gain on sale of loans                                      | 366,883                          | 374,520               |
| Other loan fees  | 291,203                          | 180,477               |
| Other income   | 150,210                          | 263,189               |
| <b>Total noninterest income</b>                            | <b>2,353,627</b>                 | <b>1,763,147</b>      |
| Noninterest expense:                                       |                                  |                       |
| Salaries and employee benefits                             | 4,908,585                        | 3,847,371             |
| Director and committee fees                                | 122,192                          | 123,242               |
| Data processing fees                                       | 495,266                          | 471,017               |
| Occupancy and equipment                                    | 966,646                          | 767,093               |
| Regulatory fees and deposit insurance premium              | 187,904                          | 183,401               |
| Advertising and public relations                           | 245,431                          | 179,041               |
| Professional fees  | 466,437                          | 306,976               |
| Supplies, telephone and postage                            | 233,559                          | 206,823               |
| Other expenses   | 804,000                          | 584,313               |
| <b>Total noninterest expense</b>                           | <b>8,430,020</b>                 | <b>6,669,277</b>      |
| Income before income taxes                                 | 1,782,704                        | 1,330,252             |
| Income tax expense   | (445,861)                        | (759,153)             |
| <b>Net income</b>  | <b>\$ 1,336,843</b>              | <b>\$ 571,099</b>     |